

An exemption is available for a nonresident individual who purchases tangible personal property outside Illinois and uses it outside this State for at least three months prior to bringing the property to this State. See, 86 Ill. Adm. Code 130.315. (This is a GIL).

March 29, 2001

Dear Xxxxx:

This letter is in response to your letter dated February 2, 2001. The nature of your letter and the information you have provided require that we respond with a General Information Letter, which is designed to provide general information, is not a statement of Department policy and is not binding on the Department. See 2 Ill. Adm. Code 1200.120(b) and (c), which can be accessed at <http://www.revenue.state.il.us/legalinformation/regs/part1200>.

In your letter, you have stated and made inquiry as follows:

In accordance with Illinois Department of Revenue Regulation Section 150.715(b), we are requesting an exemption determination from the Department for the vehicle described in the attached documents. We believe that we qualify for the Non-Resident Exemption in Regulation Section 150.315(a) of the Use Tax Law.

We purchased the vehicle through the Delivery Program, taking delivery in Germany on DATE. The vehicle had German tourist registration and was driven in Germany for the remainder of our vacation, whereupon we delivered the vehicle to the Mercedes shipping agent for shipment to the U.S.

The vehicle was picked up from the dealer and put into storage in STATE, until such time as we could drive it to our new home in Illinois. We plan to travel to STATE in the immediate future and return to Illinois with the vehicle.

A prompt determination would be very much appreciated.

As noted above, this is a General Information Letter that is not binding on the Department. A request for a binding exemption determination pursuant to Section 150.715(b) should be submitted as a request for a Private Letter Ruling. See 2 Ill. Adm. Code 1200.110 for details about obtaining a Private Letter Ruling. The following general information is submitted for your consideration.

In general, when an automobile is purchased from an out of state retailer and then brought into Illinois for use, the purchaser would be liable for the 6.25% State Use Tax, and possibly local Use Tax, depending upon the location where the vehicle is titled and registered. The total tax due would be the rate measured upon the selling price.

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An individual who purchases a vehicle from an out of state dealer that does not collect Illinois tax would have to file a return (form RUT-25) and remit the applicable Use Tax when titling and registering the vehicle in Illinois. Such return shall be filed not later than 30 days after such vehicle is brought into Illinois for use.

The Use Tax does not apply to the use, in this State, of tangible personal property which is acquired outside this State by a nonresident individual who then brings the property to this State for use here, and who shall have used the property outside this State for at least 3 months before bringing the property to this State, Section 150.315. This requirement is not applicable if the 3-month requirement is not met, or if the purchase is not made by a nonresident individual. We do not have sufficient information from your letter and supporting documentation to determine if you are entitled to the exemption. Individuals who desire a Private Letter Ruling on these issues should provide documentation to establish when they moved to and became a resident of Illinois.

I hope this information is helpful. The Department of Revenue maintains a Web site, which can be accessed at www.revenue.state.il.us. If you have further questions related to the Illinois sales tax laws, please contact the Department's Taxpayer Information Division at (217) 782-3336.

If you are not under audit and you wish to obtain a binding Private Letter Ruling regarding your factual situation, please submit all of the information set out in items 1 through 8 of Section 1200.110(b).

Very truly yours,

Karl W. Betz
Associate Counsel

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